



Finance, Risk & Staff Welfare Committee Terms of Reference

Date effective from	November 2023
Date approved by Trustees	December 2023
Policy Prepared by	Mrs M Scrivens, Chair of Trustees

Related documents and webpages:

Lostock Hall Academy Trust: Articles of Association 2023

<https://lostockhallacademy.org/>

Department for Education: Governance Handbook 2020

<https://www.gov.uk/government/publications/governance-handbook>

Academy Trust Handbook 2023 <https://www.gov.uk/guidance/academy-trust-handbook>

Charity Commission: The essential trustee: what you need to know, what you need to do. <https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3>

Companies House: <https://www.gov.uk/government/publications/company-registrars-rules-and-powers/company-registrars-rules-and-powers>

National Governance Association: The Role of Members in an Academy Trust

<https://www.nga.org.uk/knowledge-centre/the-role-of-members-in-an-academy-trust/>

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1. The role of the committee

The Finance, Risk & Staff Welfare Committee is responsible for financial oversight and scrutiny, with a focus on financial planning and risks, reporting and monitoring.

The main purpose of this committee is to review the management of all aspects of the Academy with financial and staffing implications. The scope of this committee will include, funding, expenditure, premises, staffing costs, absence; conduct; personnel procedures, the health and wellbeing of staff; equality and accessibility for all and audit.

2. Membership and quorum

The Finance, Risk & Staff Welfare Committee will be appointed by the Trust Board. A Chair, Vice Chair and Governance Professional must be elected at the first meeting of the academic year which is held in the Autumn term. These meetings are usually held electronically but there may be times when the group will meet face to face.

Membership of the committee must be at least 3 members of the Trust Board, with at least 3 members must attend for the meetings to be quorate.

Membership of the committee will be firstly determined by the individual skills and secondly by choice. Members should at least have reasonable experience of financial management if they do not have a suitable qualification. The Health and Safety Trustee should also be a member of this committee.

The membership of the Finance, Risk & Staff Welfare Committee may include persons who are not trustees, but have been approved by the Trust Board, provided that a majority of members of the Finance, Risk & Staff Welfare Committee are trustees. The Director of Business and Finance will be co-opted to the Finance, Risk & Staff Welfare Committee to advise on financial considerations.

Only appointed members of the committee will have the right to vote on any matters. The committee may appoint non-voting members who are able to provide advice to the committee – any non-voting members must be approved by the Trust Board. Associate members may be members of the committee – they are able to offer advice to the committee but will only have voting rights as determined by the Trust Board.

3. Term of office

The committee will be appointed annually by the Trust Board.

Members of the Finance, Risk & Staff Welfare Committee will hold office from either the date of their appointment until their resignation, or their omission from membership of the committee on subsequent consideration by the Trust Board – whichever occurs first.

4. Meetings

The Finance, Risk & Staff Welfare Committee will meet as often as is necessary to fulfil its responsibilities, and at least once per term. The Chair will monitor the academy's income and expenditure monthly, the committee will also complete an electronic review of the above 6 times a year, in addition to reviewing the financial position at each meeting.

The Chair of the committee, or any three committee members, will only call unscheduled meetings where it is deemed the full Trust Board is required to attend; for example, to receive feedback on the examination results and only as long as appropriate notice of at least seven days is given to other members. A shorter notice will only be given where the chair of the committee decides a particular finance issue requires addressing immediately.

The frequency and dates for committee meetings will be decided before the first Autumn term of the academic year.

The Governance Professional will circulate an agenda, copies of minutes of the previous committee meeting, and any papers to be considered no fewer than five working days prior to the meeting.

The Governance Professional will take minutes during committee meetings. The minutes will be approved by the chair of the committee before being circulated to committee members and the Trust Board, they will then be uploaded to the Governor hub. Confidential minutes will only be shared with committee members who were present at the meeting where the confidential item was discussed.

The committee may invite non-members to meetings to assist or advise on a particular matter. These attendees will not be entitled to vote on any matters. Every matter to be decided upon will be determined by a majority vote – where there is an equal division of votes, the chair will have the deciding vote. Each member of the committee that is present at the meeting will be entitled to one vote.

A register of attendance will be kept for each meeting, and this will be published on the school's website on an annual basis.

The Principal is invited to attend all meetings. Other members of SLT/staff may be invited to discuss specific items.

5. Authority

The committee is authorised by the Trust Board to be responsible for:

- Audit
- Budgeting
- Capital Funding
- Educational/Off Site Visits (approval)
- Employment
- Equality
- Financial Compliance
- Financial Management
- GDPR
- Premises
- Resources
- Risk Management
- Staff Welfare
- Staffing Costs
- Health and Safety

They are also authorised to:

- Investigate any activity within its terms of reference.
- Seek any additional information it required from any employee, with all employees directed to cooperate with any request made by the committee.
- Obtain any external legal or independent professional advice where necessary.

6. Duties

General

Reference number	Duty description
1	To observe and comply with the Trust Board's Code of Conduct at all times.
2	To appoint a Governance Professional at the first meeting of the academic year, to advise and guide the Finance, Risk & Staff Welfare Committee of their duties and responsibilities, and to record minutes of all committee meetings.
3	To agree to the terms of reference for the Finance, Risk & Staff Welfare Committee and review these on an annual basis.
4	To deal with all matters relating to finance and budgeting that have been referred by the Trust Board, including considering recommendations from other committees that have financial Implications.
5	To keep up-to-date with any relevant legislation and advise the Trust Board of when policies may need to be revised, ensuring that the Academy's financial procedures are in accordance with the funding agreement, the current Academy Trust Handbook and DfE guidance.
6	To seek professional advice as necessary, including the appointment of accountants and auditors.
7	To fulfil their responsibilities committee members must participate in formal training when appropriate, in addition to personally developing their knowledge of educational matters.
8	To report to the Trust Board on the proceedings, recommendations and decisions of the committee.
9	To undertake the due diligence in the consideration and approval process for Educational/Off Site visits.
10	To review the Risk Register in relation to the responsibilities of this Committee.
11	To ensure compliance of GDPR regulations.

Financial Planning

Reference number	Duty description
12	To establish a three-year budget plan that aligns with the priorities of the ADP and recommend this to the full Trust Board.
13	To draft and adopt a detailed annual budget plan which includes revenue and capital expenditure.
14	To ensure the annual budget plan considers the agreed priorities of the ADP.
15	To make decisions in respect of all service level agreements, and ensure the Academy complies with Companies House and HMRC requirements.
16	To determine whether sufficient funds are available for pay increments as recommended and review the key aspects of the Pay Policy.
17	To consider and approve recommendations made on all aspects relating to the premises and compliance, ensuring that effective health and safety procedures are in place and are followed and any digressions or concerns are promptly responded to.

Financial Monitoring

Reference number	Duty description
18	To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
19	To recommend and evaluate the allocation of pupil premium funding within the annual budget.
20	To hold the academy to account for the spending of pupil premium funding and associated outcomes.
21	To review, on an annual basis, the school's financial procedures relating to assets and disposals and delegated authorities.
22	To review annually the Charging and Remissions Policy.
23	To approve expenditure requests as necessary in accordance with the delegated authorities.
24	To approve the allocation of capital funds for capital projects, if delegated by the Trust Board.
25	To monitor bids for capital funding, and if successful the expenditure of such bids in accordance with the terms of the agreement.
26	To ensure that sufficient funds are available to meet performance related pay determinations.
27	To review and monitor staffing levels and costs to ensure these are in line with the Academy's student numbers and will attract the best staff in comparison to other local schools.

28	To monitor the performance of the appointed accountants and auditors.
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Financial Reporting

Reference number	Duty description
30	To review reports from the Director of Business and Finance regarding the spending of the school's budget throughout the academic year and report the findings to the full Trust Board.
31	To monitor the role of the Responsible Officer and receiving regular reports for review co-operating with the accountants and auditors to enable accurate completion of the accounts by the due dates.
32	To report any significant anomalies in the performance of the school against the annual budget to the full Trust Board.
33	To ensure that the Annual Report and Financial Statements are prepared and appropriately audited.
34	To ensure that all financial and any other documents which may be required by the Department for Education are prepared and returned efficiently and punctually.
35	To review and recommend for approval by the full Trust Board any annual pay awards.

Staff Welfare

Reference number	Duty description
1	To review levels of staff absence and ensure effective policies are in place and applied appropriately and consistently.
2	To ensure that legal and effective policies are in place to enable the effective management of staff.
3	To monitor measures taken to provide for staff wellbeing and deal with instances of undue work-related stress; ensuring that the Academy is meeting all requirements for equality, diversity and inclusion of all staff.
4	To ensure that a comprehensive Single Central Register and vetting checks are maintained at all times; Safeguarding Officer to check and sign, and SLT to report to committee.
5	To ensure the Staff Code of Conduct is fit for purpose.

7. Monitoring and Review

These terms of reference will be reviewed on an annual basis by the Trust Board. Upon review, this document will be signed by the Chair of Trustees and the Chair of the Finance, Risk & Staff Welfare Committee. Changes to these terms of reference will be distributed to all members of the Finance, Risk & Staff Welfare Committee.